

## IV CALSTARS Classification Structure

Accounting information systems collect receipt, expenditure and other financial information through a formal data classification structure. Individual accounting events, such as the payment of salaries, the purchase of goods and services or remittances to vendors, must be assigned a series of classification elements to identify the accounting impact of each transaction. After entry to the accounting system, the classification elements summarize the data in a variety of ways. This provides management with reports at various levels of detail that reflect the financial status of operations.

The number and type of classification elements included in the classification structure determine the nature and extent of the information that can be provided by the accounting information system.

This chapter presents a discussion of the classification structure in CALSTARS and the related coding requirements. It includes those classifications required for state-level financial reporting, as well as those data required for internal departmental accounting and reporting. Additional information on the structure and use of the statewide classification is provided in the *Uniform Codes Manual* (UCM) issued by the Department of Finance.

### OBJECTIVES OF THE CLASSIFICATION STRUCTURE

The CALSTARS coding system was developed, by law, to obtain accurate and compatible records, reports and statements of all the financial affairs of the state. It also required that the coding scheme provide the State Controller's Office with all information necessary for maintaining a comprehensive system of central accounts for the entire state.

In developing the classification structure, several important factors were considered. These factors included:

- ✦ Identifying the number of levels within each structure to ensure that accounting data will be captured at the lowest level of detail needed to provide meaningful financial reporting;
- ✦ Identifying accounting data must be classified and include a sufficient number of structures so that each may be used consistently throughout all accounting events;
- ✦ Designing the structures to be independent of one another so that changes in one structure will not necessitate changes in others; and
- ✦ Developing a total classification structure that will be flexible in its ability to adapt to future changes.

## CALSTARS CLASSIFICATION STRUCTURE

For the purposes of this manual, “accounting” is defined as:

**A recording of financial events that, by the interrelationships of general ledger accounts and various structures, provides information to management necessary for program and fund control as well as other state financial and management reporting.**

Seven major methods of classifying financial data have been identified. Some of these are recommended by the National Council on Governmental Accounting (NCGA). The others are used to meet special needs of agencies. Each part of the classification structure provides a unique and essential way to classify financial data. The CALSTARS classification structure includes:

- ✧ Fund;
- ✧ Program;
- ✧ Organization;
- ✧ Object of Expenditure;
- ✧ Receipt Source;
- ✧ Appropriation;
- ✧ Project; and
- ✧ Special Classifications.

The use of each of these classification structures is described below.

### Fund

The Fund classification structure defines the unique and separate accounting entities through which public funds are received, controlled and disbursed. Fund accounting, which is required both by generally accepted accounting principles and state law, maintain and report on the fiduciary responsibilities of state agencies for public funds. *'Fund'* is used to classify funds in the state's existing classification structure. These fund classifications are contained in the *Uniform Codes Manual*.

In CALSTARS, Fund is maintained by three classifications, as needed:

- ✧ **GAAP Fund**--This classification identifies the eight funds and two groups of accounts recommended by the National Council on Government Accounting.
- ✧ **Fund**--This classification identifies the items considered to be authorized fiscal entities of the state such as the General Fund and the Federal Trust Fund. The fund classifications are specified on a statewide basis.

- ✧ **Fund Detail**--This classification provides a further breakdown of a fund for specialized reporting within the agencies and reconciling with SCO records, as required.

## Program

The Program classification structure identifies the public purpose for the financial resources of the state. This structure is used for central budget development and control and for internal management purposes in many agencies. A department's program structure identifies the relationships of the department's activities to its hierarchy of goals and objectives.

The program hierarchy contains seven levels of detail as follows:

- ✧ **Program**--Identifies the major program activities performed by an agency.
- ✧ **Element**--Provides a further refinement of an agency program. Each Element must be unique within an agency program.
- ✧ **Component**--Further defines the elements of a program. Each Component must be unique within an element.
- ✧ **Task**--Further defines the components of a program. This is the lowest level of program classification that may be defined in the Budget Act.
- ✧ **Program Cost Account (PCA)**--Lowest level of detail within the program structure for an agency. Further classifies program activities for purposes of cost accounting and cost allocation. This code is the one normally used for financial transaction entry.
- ✧ **PCA Level 1**--Represents groupings of related PCAs. This level provides for summary reporting across PCAs. This classification level satisfies the specialized reporting requirements of certain agencies as a table lookup. For most agencies, the PCA Level 1 is not used.
- ✧ **PCA Activity**--Further defines a PCA for extremely low level detail. This classification level may be entered on specific transactions rather than by table look up. For most agencies, PCA Activity is not used.

In CALSTARS, all program classifications are defined through these seven classification elements.

The program classification structure is used for both revenues and expenditures. The first four levels of program classification are intended to relate an agency's activities to state-mandated goals and objectives. These are the minimum reporting levels normally defined in the Budget Act or the Governor's Budget. Agencies may choose to use additional levels of program detail, below that which is specified in either document for their own internal reporting and management purposes.

## Organization

The statewide organization classification structure normally identifies specific lines of authority and responsibility within the state government. Information collected and reported by organization plays a primary role in providing information necessary for state administrative and management personnel to make informed financial management decisions. There are five levels of detail in the classification structure for organizations:

- ✧ **Level A**--The highest level in the organization structure, normally referred to as agency, and is used to group departments under the authority of agency secretaries (e.g., Health and Welfare Agency) or into broad functional groupings (e.g., General Government).
- ✧ **Level B**--Used to further define agencies into sub-agencies when an additional level of groupings is necessary or desirable.
- ✧ **Level 1**--Identifies specific departments; however, its identification includes commissions, offices, boards, and other budgeting entities below Level B.
- ✧ **Level 2**--Identifies bureaus, boards or divisions within a Level 1 organization. It can also be used to provide an additional breakdown of any Level 1 organization. The breakdown at this level is identified only if the entity receives appropriations or if the breakdown is required for special information needs.
- ✧ **Level 3**--This level represents a breakdown of the Level 2 organizational entity and, for simplicity, is referred to as a campus with the University System, or an institution, camp or state hospital.

These five levels of organization structure are defined in the *Uniform Codes Manual* and are used for statewide reporting purposes.

Six additional levels are available in CALSTARS for internal agency organization classification (e.g., field offices, administrative offices, support units, etc.):

- ✧ Section
- ✧ Sub-Section
- ✧ Unit
- ✧ Sub-Unit, and
- ✧ Sub-Sub-Unit
- ✧ Index

Use of these levels of organizational classification (except Index) is optional, and may be used selectively by an agency. Some Sections, for example, may be further divided into Sub-sections while others are not.

## Object of Expenditure

The object of expenditure (line item) structure is used to identify costs according to the specific types of goods/services purchased by agencies. The structure is needed to aid in budget analysis and planning, and to support financial control and the purchasing process.

The object of expenditure contains three levels of statewide object classification and an additional level of detail which may be used by agencies. The object of expenditure classification structure is defined as follows:

- ✧ **Category--(1-digit)** Classifies expenditures into seven broad statewide types: (e.g., Operating Expenses and Equipment).
- ✧ **Object--(2-digit)** Further classifies expenditures within a Category (e.g., Training)
- ✧ **Object Detail--(3-digit)** Provides a further refinement of the Object classification (e.g., Tuition and Registration Fees). This Code is used for financial transaction entry of expenditures and abatements and may be used for budgets and allotments.
- ✧ **Agency Object--(2-digit)** Available, optionally, to agencies to further classify expenditures within the statewide Object Detail structure.

The Category, Object, and Object Detail are defined on a statewide basis. The valid codes are contained in the *Uniform Codes Manual*. As its name implies, the Agency Object may be uniquely defined, as needed/required, by each agency, using the D12 Descriptor Table.

## Receipt Source

The receipt source structure is used to identify all monies collected by the state. The structure is actually composed of two parts; a receipt code which identifies the type of collection, and one to three additional levels of detail depending upon the type of receipt. The Receipt Source contains the following classification levels:

- ✧ **Level 1--(1-digit)** This element classifies receipts into six statewide types.
- ✧ **Level 2-4--(5-digit)** Provides further levels of classification, as needed, of the receipt types.
- ✧ **Agency Source--(2-digit)** May be used by agencies to classify receipts at a fifth level of detail.

Levels 1 through 4 and the specific Receipt Source codes are contained in the *Uniform Codes Manual* while the Agency Source may be uniquely defined, as needed/required, by each agency, using the D34 Descriptor Table.

## Appropriation Identification

Appropriations represent legal authority to expend specified or determinable amounts of money. These appropriations may be awarded on a program, line item, or unscheduled basis. For purposes of control and reporting, each appropriation account must be uniquely identified in CALSTARS. This information must also be available to interface with other state systems, including the State Controller's Office system and the Department of Finance Budget Preparation System.

In addition to the organization, fund, program, and object classification data, several additional codes are required to uniquely identify each appropriation account. These additional data are:

- ✧ **Fund Source**--(1-alpha character) Identifies the types of resources used to finance specific program activities. Funding source identifies who is paying for programs authorized by the state government (e.g., G-General Fund or B-Bond Fund). This data is associated with the Fund which was previously discussed.
- ✧ **Character**--(1-digit) Classifies appropriations according to major purposes (e.g., support, local assistance or capital outlay).
- ✧ **Method**--(1-digit) Classifies appropriations according to the method or mechanism used to make the appropriation (e.g., Budget Act or Statutory).
- ✧ **Year**--(2- or 4-digit) Identifies the calendar year in which the appropriation was enacted (also called **Enactment Year**).
- ✧ **Reference**--(3-digit) Identifies each appropriation item or group of appropriations, with a Character, for a particular department.
- ✧ **Funding Fiscal Year**--(2- or 4-digit) Identifies the state fiscal year in which the appropriated amounts became available.
- ✧ **Appropriation Symbol**--(3-alphanumeric) Identifies each appropriation or special SCO account using the appropriation identification listed above (except Method).

The first five appropriation structures identified above are defined on a statewide basis and valid codes are contained in the *Uniform Codes Manual*. The Reference code is identified in the Budget Act. Each of these codes provides a unique and essential means of classifying financial data in relation to any appropriation item.

## Project

The project classification structure allows agencies to identify unique and sometimes temporary activities that require unique reporting outside the normal classification structure or fiscal period. Projects also allow control of "allowed" costs and first in first out (FIFO) fund usage as well as General Ledger posting. Three general uses for Project are:

- ✧ Federal grant (required) or interagency contract accounting;
- ✧ Capital project accounting (capital outlay projects); and
- ✧ Agency management and cost accounting (special activities of interest to the agency).

The project contains details as follows:

- ✧ **Project Code**--(6-alpha/numeric digits) Uniquely identifies each project within the agency.
- ✧ **Work Phase**--(2-digit) Identifies specific phases or fiscal periods of a project.

Use of the Project classification structure is optional, except for federal grant accounting.

### Special Classifications

There are several additional data included in the classification structure to provide more comprehensive reporting and additional system flexibility. Most CALSTARS agencies do not use these additional data elements. These special classifications are described below:

#### Location

The accumulation of financial data by geographic location is provided in CALSTARS through the entry of a Location code. This data is an optional part of the CALSTARS classification structure and is available through Index Code Table "lookup" and on the financial data entry screens.

#### Federal Catalog Number

The Federal Catalog Number is used in CALSTARS to identify the granting Federal agency and program. This data is required for external reporting and for interfacing with the State Controller's accounts. The Federal Catalog Number must be used by those agencies who track Federal grants. This code is a "lookup" by the Project Control Table.

#### Multipurpose Code

This general purpose (up to 12 characters) coding element may be used by agencies for whatever purpose they wish. It provides agencies with the added flexibility of tracking agency specific details which are not included in the standard classification structure. It most frequently is used by those agencies that have automated interfaces with CALSTARS. For example: Fire Incident Code for forest fires. Agencies are responsible for designing and developing their own reports using this classification.

**Subsidiary Codes**

Certain accounting events must be assigned an additional classification level to identify information that cannot be provided through the standard revenue and expenditure account codes or the first level general ledger account structure. For example, in some cases it is required to maintain more detailed information regarding accounts receivable or special investments held by agencies. To provide for this unique identification requirement, a second level subsidiary code is included in the classification structure.

Accounting transactions that affect certain asset or liability accounts must be assigned a subsidiary code. This code identifies each individual transaction at the lower general ledger control account level. For example, if an agency owes an amount to another agency, the accounting transaction to record the liability must contain a subsidiary code identifying the fund owed (due to). This subsidiary code would be assigned in such a way as to distinguish the particular fund from all other "Due To" funds owed by the agency.

**RELATIONSHIP AMONG THE CLASSIFICATION STRUCTURES**

Each data classification within the CALSTARS classification structure is completely independent. However, within each classification structure, the data may be related hierarchically. These relationships are illustrated in Exhibit IV-1. The exhibit also identifies the length of each data element and distinguishes between those codes that are specified by the *Uniform Codes Manual* and those that are agency assigned codes for use in CALSTARS.

Because of the independence of each structure, data may be linked selectively from each class to develop the necessary accounting classification on any specific financial transaction. The data used in a given transaction and the levels of detail chosen within each transaction will vary from the minimum required for reporting to the State Controller to the maximum needed for internal department management and reporting. Keeping the structures independent of one another and allowing for varying degrees of detail within each maintains a substantial measure of flexibility in the information structure. This allows some of the larger departments to accumulate information at greater levels of detail without requiring the smaller agencies to also use these levels.

**CODING REQUIREMENTS**

Exhibit IV-1 illustrates the extensive classification structure incorporated into CALSTARS. This classification structure provides all of the necessary data structures for internal agency accounting as well as external reporting. However, in a large system performing many types of accounting, such as CALSTARS, maintaining a simple coding scheme is required so that errors may be kept at a minimum. To satisfy this requirement and minimize key entry workload without reducing the amount of information available, CALSTARS uses coding reduction techniques based on table look ups.



A table look up is a unique table record in which predefined data are stored for future reference. Because it is possible to determine many of the combinations of classifications before an actual accounting event occurs, these predetermined classifications are entered into a table as informational elements. The table's code becomes the entry key for the look-up information. When an accounting event is recorded, the code will be entered on the transaction and used by the system to find that table key and retrieve the classification data from the table. The classification data is then used to post the various system files without manually keying these details.

Several tables are used in CALSTARS to minimize the coding requirements. Each of these are described below.

### **Organization Coding**

There are actually two parts to the organization coding process. First, transactions entered into CALSTARS must contain the lowest level of organization coding identified in the *Uniform Codes Manual*. This lowest level represents the level at which appropriations have been awarded and legal accounting and reporting requirements occur. Secondly, organization coding entails capturing accounting data at the level of organization required for agency internal financial management and control.

EXHIBIT IV-1  
CALSTARS CLASSIFICATION STRUCTURE

Classification Data	Relationship	Length	UCM	Agency Specific
<b>FUND</b>				
GAAP Fund	Independent data	1		X
Fund	Independent data	4	X	
Fund Detail	Unique within Fund	2		X
<b>PROGRAM</b>				
Program	Independent data	2	X	
Element	Unique within Program	2	X	
Component	Unique within Element	3	X	
Task	Unique within Component	3	X	
Program Cost Account	Independent data	5		X
Program Cost Account -- Level I	Independent data	5		X
Program Cost Account -- Activity	Independent data	4		X
<b>ORGANIZATION</b>				
Level A	Independent data	4	X	
Level B	Unique within Level A	4	X	
Level 1	Unique within Level B	4	X	
Level 2	Unique within Level 1	4	X	
Level 3	Unique within Level 2	4	X	
Section	Unique within Level 1, 2, or 3	2		X
Sub-Section	Unique within Section	2		X
Unit	Unique within Sub-Section	2		X
Sub-Unit	Unique within Unit	2		X
Sub-Sub-Unit	Unique within Sub-Unit	2		X
Index	Independent data	4		X
<b>OBJECT</b>				
Category	Independent data	1	X	
Object	Unique within Category	2	X	
Object Detail	Unique within Object	3	X	
Agency Object	Unique within Object Detail	2		X
<b>SOURCE</b>				
Level 1	Independent data	1	X	
Level 2	Unique within Level 1	2 <sup>1/</sup>	X	
Level 3	Unique within Level 2	1 <sup>1/</sup>	X	
Level 4	Unique within Level 3	2 <sup>1/</sup>	X <sup>2/</sup>	
Agency Source	Unique within Level 4	2		X
<b>APPROPRIATION</b>				
Fund Source	Independent data	1	X	
Character	Independent data	1	X	
Method	Independent data	1	X	
Year (Enactment)	Independent data	2	X	
Reference	Independent data	3	X	
<b>PROJECT</b>				
Project	Independent data	6		X
Work Phase	Unique within Project	2		X
<b>OTHER</b>				
Location	Independent data	6		X
Federal Catalog Number	Independent data	8		X
Multipurpose	Independent data	12		X
Subsidiary	Unique within Fund and GLA	8		X

<sup>1/</sup> Number of digits within each level varies by source type.

<sup>2/</sup> CALSTARS assigns "00" (zeros) unless codes are assigned by the UCM.

## UCM Organization Coding

The Organization Codes contained in the *Uniform Codes Manual* have been developed so that each is unique. Further, as illustrated in Exhibit IV-1, a hierarchical relationship exists between each of the codes. A partial organization chart of Education is presented in Exhibit IV-2. As illustrated in the exhibit, the highest level of organizational classification is Education (6000) shown as Level A. For purposes of illustration, the exhibit shows the sub-level (Level B), K-12 Education (6010) and Higher Education-Community Colleges (6015). K-12 Education is further subdivided into two Level 1 agencies--Department of Education (6100) and State Library (6120). The Department of Education is broken down into the Level 2 organizations State Agency for Surplus Equipment (6170) and Special Schools (6190).

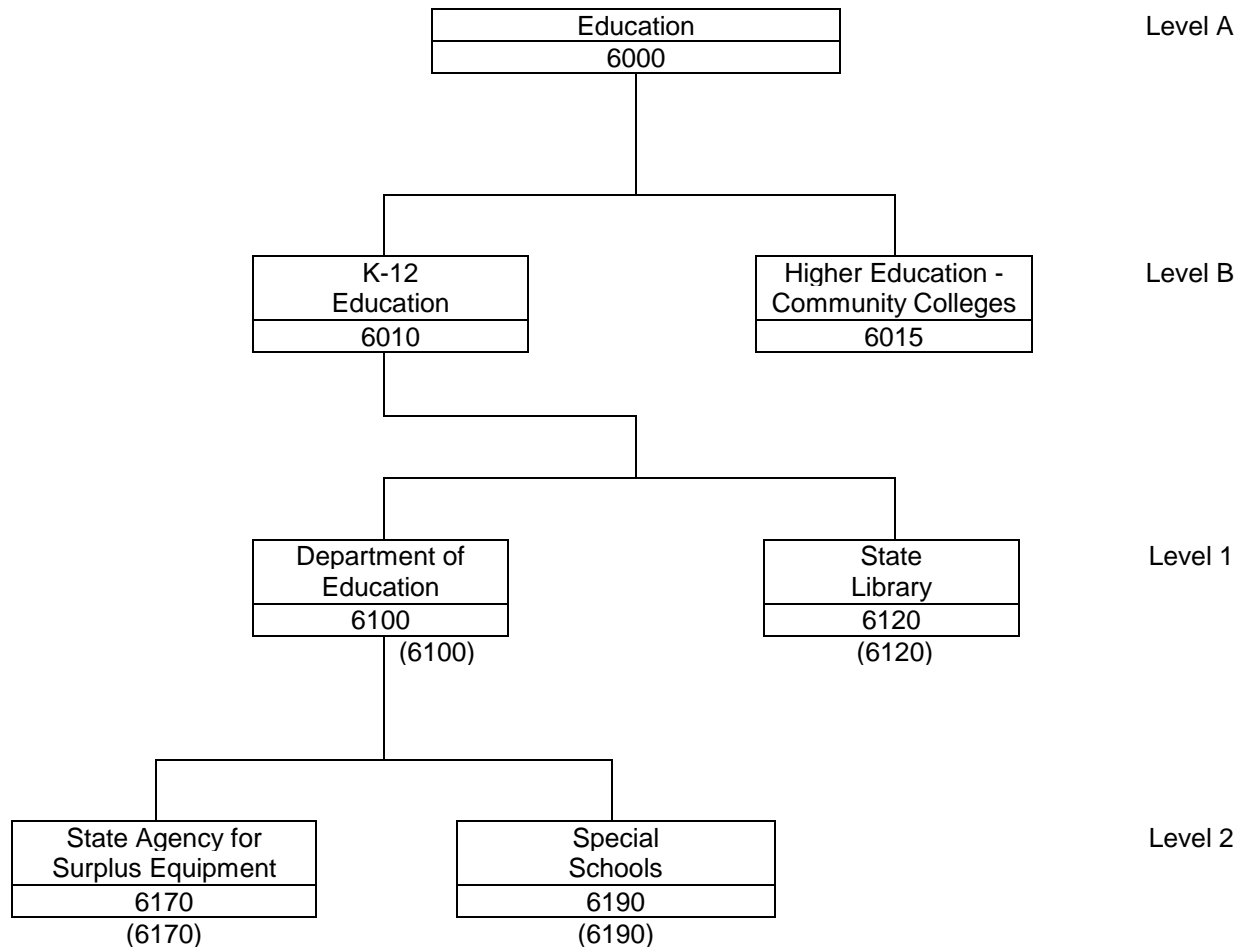
It should be noted from the exhibit that it is not necessary to breakdown every organization to the lowest level of detail. Instead, an organization look-up is assigned at each of the lowest levels of detail used. This code is actually looked up by the agency Signon ID using the Organization Control Table. This look-up is shown in the example Organization Control Table hierarchy at the bottom of Exhibit IV-2.

The relationship that exists between each of these organizational elements is predefined in the *Uniform Codes Manual*. As illustrated in Exhibit IV-2, this relationship, entered into the Organization Control Table, is referenced on financial transactions and table records by the Organization Control key. During system processing, the Organization Control key is used to look-up the expanded organization data for purposes of editing and file posting.

The organization look-up code should always be assigned at the lowest level of detail required in the structure. This could be Level 1, 2, or 3, depending on the agency's hierarchy. An organization code is required on all CALSTARS transactions since it identifies the organizational entity responsible for the transaction and is part of the CALSTARS Signon ID.

# EXHIBIT IV-2

## EXAMPLE UCM ORGANIZATION CODE STRUCTURE



( ) - Denotes Organization Code coded for key entry.

## EXAMPLE ORGANIZATION CONTROL TABLE

Control Key	Look-Up Segment					
Organization Code	Title	Organization Look-Up				
		A	B	1	2	3
6100	Department of Education	6000	6010	6100		
6170	State Agency for Surplus Equipment	6000	6010	6100	6170	
6190	Special Schools	6000	6010	6100	6190	

**Internal Agency Organization Coding**

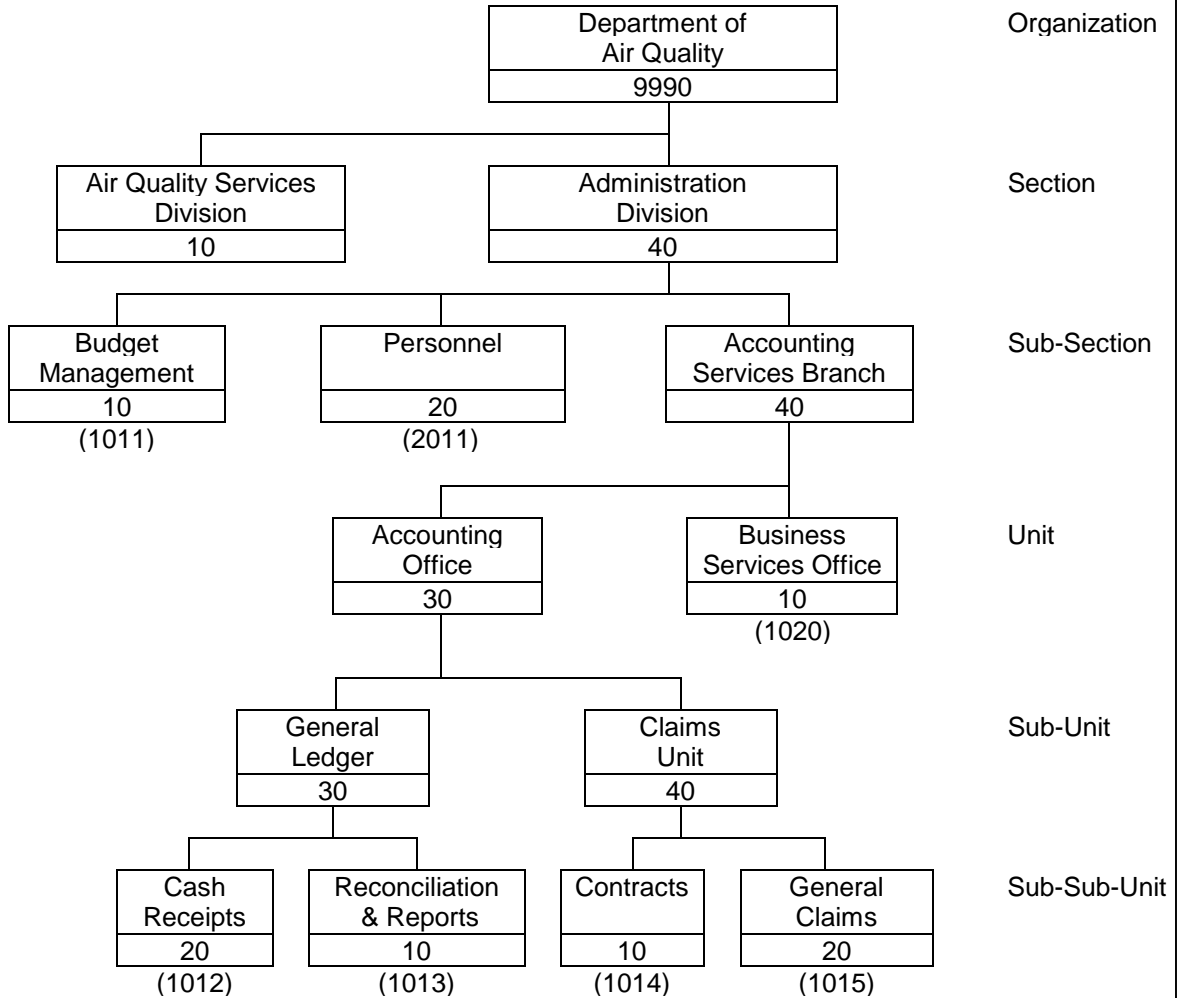
Six internal levels of organizational classification are provided in CALSTARS. Exhibit IV-3 illustrates how this structure may be coded and used. Since this internal classification structure is defined below the lowest level of UCM classification, the organization code for the Department of Air Quality is shown at the top of the hierarchy. In this example, there is a Section (Administration Division-20) which contains three Sub-Sections: Budget Management-10, Personnel-20, and Accounting Services Branch-40. The exhibit further subdivides the Sub-Section into Units, Sub-Units, and Sub-Sub-Units. Index Codes are assigned at the lowest level of each hierarchy.

It is not necessary to use every level of detail provided in the hierarchy structure, as illustrated. The Index Code and the related organizational hierarchy are entered into the Index Code Table (illustrated at the bottom of Exhibit IV-3) and these data are accessed during system processing to reference the internal organizational classification data.

Depending on an agency's organization, the Index Code Table may also be used to reference the Location and Project/Work Phase classification elements.

EXHIBIT IV-3

**EXAMPLE AGENCY ORGANIZATION STRUCTURE**



( ) - Denotes Index Code used for key entry.

**EXAMPLE INDEX CODE TABLE CODING**

Control Key		Look-Up Segment					
Organization	Index Code	Title	Section	Sub-Section	Unit	Sub-Unit	Sub-Sub-Unit
9990	1011	Budget Management	40	10			
9990	2011	Personnel	40	20			
9990	1020	Business Services	40	40	10		
9990	1012	Cash Receipts	40	40	30	30	20
9990	1013	Reconciliations/Rpts	40	40	30	30	10
9990	1014	Contracts	40	40	30	40	10
9990	1015	General Claims	40	40	30	40	20

## **Program Coding**

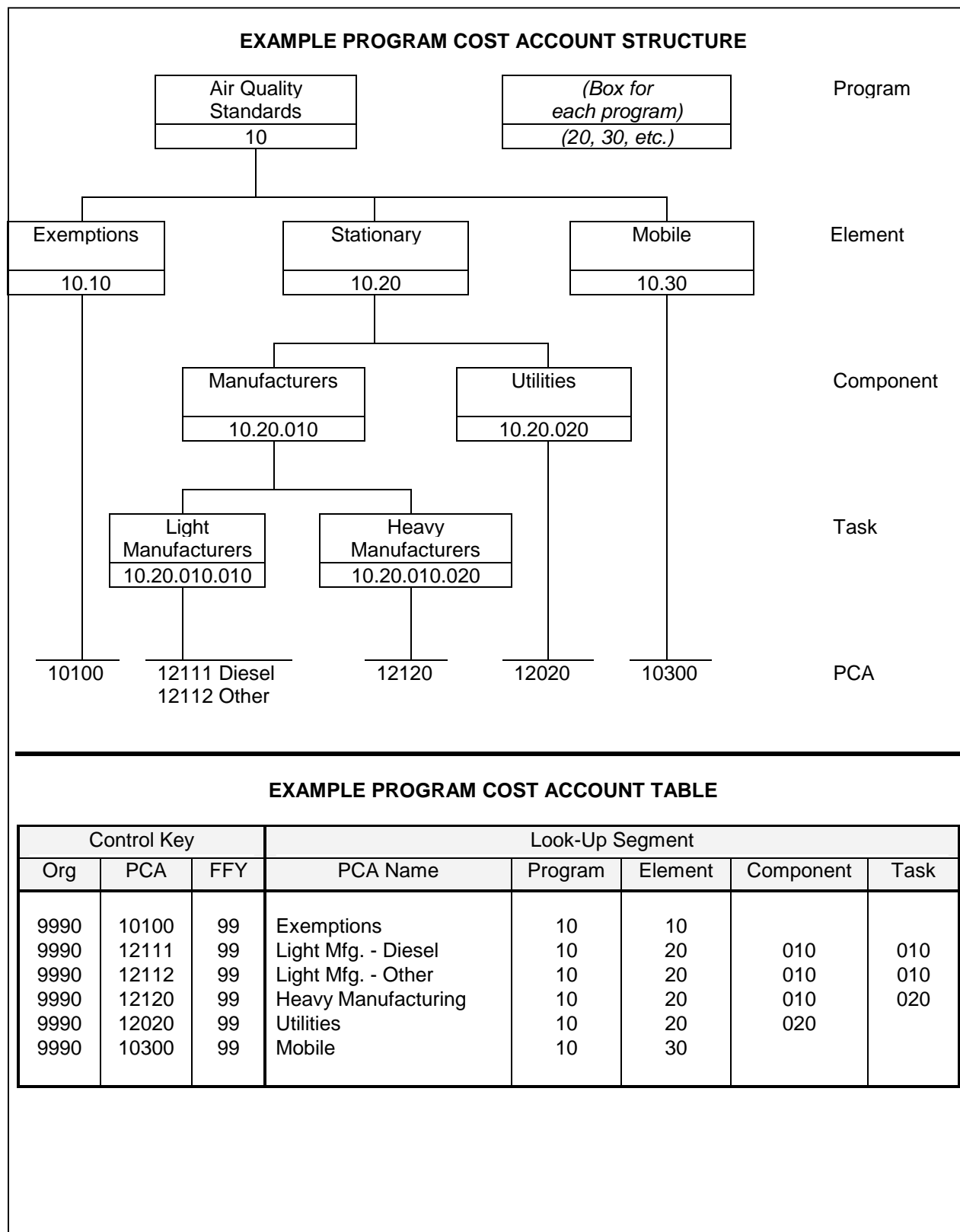
The program structure is normally well documented in the Governor's Budget and in agency Cost Recovery Plans. The program cost centers and their relationship to the program structure must be determined before the first accounting transaction is processed. As a result, this information must be entered into CALSTARS Program Cost Account (PCA) tables. Each table record is referenced by a look-up PCA code during system processing. This avoids having to code all of the program and appropriation/funding classification elements on every transaction.

Exhibit IV-4 illustrates how the program classification structure might be tailored for a program at the Department of Air Quality. Again, it should be noted that it is not necessary to utilize every level of detail provided in the structure. For example, certain components are broken down by Task while others are not. Under either alternative, a five-digit Program Cost Account (PCA) is assigned at the lowest level of detail required within each component. The PCA and each of the higher levels of program classification are entered into the PCA Table for reference during system processing. A condensed illustration of the PCA Table is provided at the bottom of Exhibit IV-4.

The control key of the PCA Table consists of the Organization Code, PCA and Funding Fiscal Year. These three elements, coded on transactions, are used by CALSTARS to retrieve the expanded program classification data and Appropriation Symbol look-up from the PCA Table for editing and file updating. The PCA Table is used by large agencies with complex program structures as well as small agencies with only one or two programs.

In addition to the program classification data, the PCA Table may also be used to reference fund classification data. This information is maintained in the PCA Table to support the cost allocation and fund split process. Alternatively, the fund identification information may be coded on transactions to direct charge the transaction amount to the "ultimate fund" contained in the table and override the default ("disbursing fund") data.

EXHIBIT IV-4





## Appropriation Coding

Identification and coding of a specific appropriation requires several classification structures. Primary among these are the Organization, Funding Fiscal Year, Program and Fund coding contained in both the AS and PCA tables. However, there are additional funding data also required to uniquely identify each appropriation account. All the data are included in the following tables:

### Appropriation Symbol Table (AS):

- ✧ Program (Budget Act);
- ✧ Character;
- ✧ Reference;
- ✧ Year of Enactment;
- ✧ Chapter/Statute; and
- ✧ Funding Fiscal Year.

### Program Cost Account Table (PCA):

- ✧ Program (Governor's Budget or lower level);
- ✧ Fund/Fund Detail;
- ✧ Fund Source;
- ✧ Method; and
- ✧ Funding Fiscal Year.

A 3-digit alphanumeric Appropriation Symbol is assigned to each appropriation item or special SCO account. Since this information is closely tied to the program structure, the Appropriation Symbol is required coding in the PCA Table. As a result, the PCA provides a means of referencing this AS Table information without coding it for every transaction. The Appropriation Symbol will also be used to reference special Category and Object data or unscheduled items for those agencies that have these types of appropriation items. An example Appropriation Symbol Table is illustrated in Exhibit IV-5.

Exhibit IV-5 shows an illustrative budget structure for the Department of Air Quality. The entries in the table identify appropriation accounts on a program basis. The level of program detail contained in the Appropriation Symbol Table determines the level of appropriation control. It should be noted that the level of program classification entered in the PCA Table may be at a lower level of detail than that referenced by the Appropriation Symbol. These lower levels of detail in the PA Table are used for internal agency accounting and reporting, not appropriation control.

**Object of Expenditure Coding**

When recording a transaction which uses the object of expenditure (expenditure or abatement), it is necessary to code only the 3-digit Object Detail code. The 1-digit Category and 2-digit Object are looked-up by the Object Detail. If an agency also classifies the transaction by Agency Object, the 2-digit Agency Object code must also be coded. If the Agency Object code is recorded along with the Object Detail code, the Category and Object codes will still be retrieved from the Object Detail Descriptor Table.

**Receipt Source Coding**

The Receipt Source does not use a coding reduction technique. When recording a transaction which uses the 6-digit Receipt Source code, such as a revenue, reimbursement or abatement, the entire Source code must be recorded and zero-filled for sources that do not have a 6-digit code. At a minimum, the three levels specified in the *Uniform Codes Manual* must be coded. Further, if the agency uses a 2-digit Agency Source code, it must also be coded on the transaction.

## EXHIBIT IV-5

**EXAMPLE APPROPRIATION SYMBOL TABLE CODING**

Control Key			Look-Up Segment										
Org	Appn Sym	FFY	Title	Prog <sup>1/</sup>	Elem <sup>1/</sup>	Comp <sup>1/</sup>	Task <sup>1/</sup>	Char	Cat	Obj	Obj Dtl	EN YR	Ref
9990	001	98	Support-Air Quality Exempt	10	10			1				98	001
9990	001	99	Support-Air Quality Exempt	10	10			1				99	001
9990	002	98	Support-Air Quality Stationary	10	20			1				98	001
9990	002	99	Support-Air Quality Stationary	10	20			1				99	001
9990	003	98	Support-Air Quality Mobile	10	30			1				98	001
9990	003	99	Support-Air Quality Mobile	10	30			1				99	001
9990	110	99	LA-Light Manufacturing	10	20	010	010	2				99	001
9990	111	99	LA-Heavy Manufacturing	10	20	010	020	2				99	001
9990	500	99	Unallocated Reduction	97	20							99	001

<sup>1/</sup> The program level in the AS Table is defined by the Budget Act or SCO account.

**SUMMARY OF CODING REQUIREMENTS**

In summary, there are numerous classification structures which must be used in CALSTARS to process a financial transaction. Requiring the full classification structure to be keyed for every transaction is inefficient and invites error. Therefore, CALSTARS uses coding reduction techniques whereby only a few codes need keying. Many of these codes will look up the complete set of hierarchical codes stored in the system tables and automatically append this coding to the transaction. Exhibit IV-6 identifies each of the codes and the data elements retrieved.

It should be noted that the minimum coding requirements of accounting classification data for expenditure transactions is 12 digits. This consists of a

- ✧ 4-digit Organization Code,
- ✧ 5-digit PCA code, and
- ✧ 3-digit Object Detail code.

Other codes, such as the 4-digit Index Code, is also required for expenditure transactions. For receipt transactions, the 6-digit Source code is used rather than the Object Detail coding, making the minimum coding required 15 digits. By coding these minimum number of digits, a substantial amount of data is retrieved from the system's tables and used for accounting and reporting purposes.

## EXHIBIT IV-6

**SUMMARY OF ACCOUNTING CLASSIFICATION CODING REQUIREMENTS**

Classification Element	Length	Referenced by	Required Coding	Optional Coding
Level A	4	Organization Control Table	(nnnn) Defined by Signon ID	
Level B	4			
Level 1	4			
Level 2	4			
Level 3	4			
Section	3	Index Code Table		nnnn
Sub-Section	3			
Unit	3			
Sub-Unit	3			
Sub-Sub-Unit	3			
Location <sup>1/</sup>	6			nnnnnn
Program	2	PCA Table	nnnnn	nnnn nn n n nnnnnn nn
Element	2			
Component	3			
Task	3			
PCA Level 1	5			
PCA	5			
Fund <sup>2/</sup>	4			
Fund Detail <sup>2/</sup>	2			
Fund Source <sup>2/</sup>	1			
Method <sup>2/</sup>	1			
Project <sup>2/</sup>	6			
Work Phase <sup>2/</sup>	2			
Program-Task	2-10	AS Table	(nnn) If PCA not used	
Year (Enactment)	2			
Reference	3			
Character	1			
Category	1	Object Detail	nnn	nn
Object	2			
Object Detail	3			
Agency Object	2			
Source	6	Source	nnnnnn	nn
Agency Source	2	Agency Source		
Multipurpose	12	Multipurpose		nnnnnnnnnnnnnn
PCA Activity	4			nnnn
Subsidiary <sup>3/</sup>	8	Subsidiary	nnnnnnnn	

<sup>1/</sup> May also be coded at the time rather than being looked up by the Index.

<sup>2/</sup> May also be coded at the time of entry rather than being looked up by the PCA.

<sup>3/</sup> May be required for some transactions (e.g., GLA 1400, 1500, 3100, etc.)

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